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# APPRENTICESHIP AND TRAINING PROGRAM

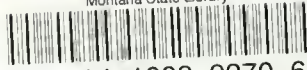
BIENNIAL REPORT FOR  
2003 & 2004



SUBMITTED TO: GOVERNOR JUDY MARTZ

PREPARED BY :  
THE APPRENTICESHIP TRAINING PROGRAM  
WORKFORCE SERVICES DIVISION  
MONTANA DEPARTMENT OF LABOR & INDUSTRY

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DEPARTMENT OF LABOR AND INDUSTRY  
WORKFORCE SERVICES DIVISION



JUDY MARTZ, GOVERNOR

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The Honorable Judy Martz  
Governor  
State of Montana  
Helena, MT 59620

Dear Governor Martz:

In accordance with Section 39-6-101, MCA, Duties of Department, we have the honor of submitting to you the Biennial Report of the Montana State Apprenticeship Training Program. This report covers Apprenticeship and Training Program activities from July 1, 2002 through the June 30, 2004 timeframe.

Respectfully submitted by  
The Montana State Apprenticeship Training Program

Mark S. Maki, Supervisor





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# Introduction

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Registered apprenticeship is an important resource for employers and an opportunity for workers in these demanding times. In the environment of “down sizing” and “right sizing” the work force must be more efficient and productive. The better we train Montana’s workforce today, the more likely they will be up to the challenges in tomorrow’s work place.

As unemployment figures get lower, the availability of skilled workers declines. The remaining people are likely to be those with skills that don’t match those of current openings in the job market. The Apprenticeship Training Program, Department of Labor and Industry, helps fill this void through services provided to Montana employers.

Through a registered apprenticeship program, employers can get professional assistance to train Montana workers to become highly skilled in their occupational trade, or craft. As our state economy becomes more service based, the demand for a technically trained, skilled work force will increase.

Apprenticeship is the oldest form of skill training that exists. It’s a skilled worker teaching the skills of their craft to other workers. Registered apprenticeship training includes both supervised on-the-job training through actual work and related technical instruction in the classroom. Business, Labor and Government work in cooperation to provide structured progressive instruction programs to develop high quality, skilled, employable workers.

*“The Apprenticeship & Training Program staff is responsive to my company’s needs and returns calls. They work with me to help me achieve necessary goals. In the last year I hired three licensed plumbers and my second year apprentice had to show them how to do a ground rough.”*

Don O’Mailia, Lolo Plumbing & Heating,  
Florence, MT



An employer that sponsors a registered apprenticeship training program in their company experiences many benefits:

**1- A Source Of Trained Workers**

Employers can guarantee their companies a steady supply of competent, well-trained workers. These workers will have the added benefit of being trained in the sponsoring company's quality standards and work practices. Skilled workers do the job faster and with fewer callbacks.

**2- Economy**

Apprentice training costs are minimal because apprentices produce while they learn and earn on a progressive wage schedule.

**3- Less Turnover**

Apprentices in a certified training program know they have jobs with futures. Satisfied employees mean less potential turnover.

**4- Improved Labor Relations**

Employers establish a mutually beneficial association with the apprentices in their employ.

**5- Demonstrates Community Commitment**

Employers that sponsor a registered apprenticeship program have taken it upon themselves to provide more career opportunities and training for people in their communities.

**6- Recognition**

Apprenticeship training programs registered by the Montana Department of Labor and Industry have the respect of industry, labor and communities.



Why learn a trade through an apprenticeship instead of through some other method? Some of the advantages of completing a registered apprenticeship program include:

### 1- Exposure

Apprenticeship gives workers versatility by teaching them all aspects of a trade. Apprenticeship facilitates the acquisition of skills not just for a single job, but for a career. It helps them learn to work with different kinds of people in a working situation. It familiarizes them with the overall picture of a company's operation and organization.

### 2- Competition

Apprentice graduates are more educated, work more steadily, learn their trades faster and are more likely to become supervisors than non-apprentice craftworkers.

### 3- Job Security

Apprenticeship produces better skilled, more productive and safer craftworkers. Apprenticeship graduates experience less unemployment than craftworkers trained in informal ways, since employers retain better skilled workers and often specifically request them for a job.

*"We have enjoyed working with your department. It has been ten years since Roy Symons signed us up. It has been very helpful to have a program like yours. We look forward to enjoying many more years of working together."*

Joe Troiano, J.A.T. Electric, Inc., Whitefish, MT

*"We at T-More Electric, Inc. would like to thank the apprenticeship program for supporting our company since July 1999. Your sponsorship has allowed our*





*company to grow and provide extremely valuable employment for electricians. This sponsorship cannot be understated, as there is an incredible shortage of Journeyman Electricians in Big Sky. We look forward to your continued support in the future."*

Carol Timour, T-More Electric, Inc., Big Sky, MT



# Registered Apprenticeship System and Administration

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# Registered Apprenticeship

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**R**egistered apprenticeship is a voluntary training program. Employers that choose to sponsor a program are expected to meet established program standards. Apprenticeship standards are established by their respective industry. They are intended to train skilled workers to know all aspects of their particular industry, rather than limit worker's experience and knowledge. Not all employers engage in a broad enough scope of their particular trade to adequately train an apprentice.

Registered apprenticeship is on-the-job training supplemented with related technical instruction. Apprentices work under the supervision of qualified journeymen to develop the skill and learn the techniques, materials and equipment of the trade.

Classroom or approved home study courses that provide training in the theoretical and technical aspects of the trade are required. Minimum class time is 144 hours for each year of the apprenticeship, but may be higher for some trades.

Apprentices are generally evaluated every six months and receive pay raises upon verification of satisfactory progress in skill development and course work. An apprentice's starting wage is usually 50% of the applicable journeyman rate. There are wage increases from five to ten percent for each increment period of satisfactory progress.

When a registered apprenticeship program sponsor verifies that the apprentice has fulfilled all requirements of the training program, the Montana Apprenticeship and Training Program will issue a certificate of completion. This validated national credential is proof that the completing apprentice is a fully qualified skilled worker in their trade.



# Administration of the State of Montana Apprenticeship and Training Programs

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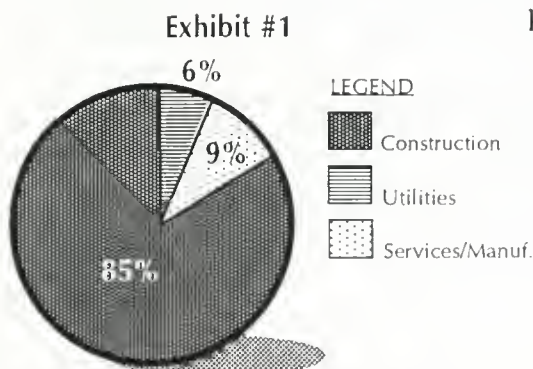
In 1941 the Montana 27th Legislative Assembly enacted Chapter 149 to create an apprenticeship system. The program operated with informal federal recognition from 1941 until 1977. In 1977 federal regulations were finalized (Title 29, CFR 29.12). The United States Secretary of Labor officially recognized the authority of the Montana Department of Labor and Industry to determine individual apprenticeship program compliance for federal purposes.

Over the years apprenticeship has been administered from several divisions within the department. The Montana Department of Labor and Industry was reorganized in 1993 and on July 1, 1993, the Apprenticeship and Training Program was relocated in the Workforce Services Division. This placement of the program provides a more direct administrative link with other employment and training services provided by the Department.

There is a stereotypical image of apprenticeship in the general public as just union construction jobs. Registered apprenticeship also includes numerous occupations in the medical and food service fields as well as many mechanical and artisan trades and is expanding into the fields of information technology.

There are over 180 occupations registered as apprenticeable in Montana. The Apprenticeship and Training Program currently has ap-

prentices being trained in 58 of those trades. As of June 30, 2004, 1,084 registered Montana apprentices were being trained in three major labor categories: construction, utilities, and service/manufacturing.



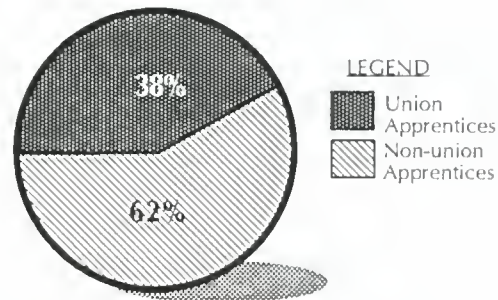
Registered apprentices as of 6/30/2004.





The Montana Apprenticeship and Training Program provides technical assistance and oversight for all registered programs. In Montana as of June 30, 2004, 59% of the registered programs and 63% of all registered apprentices are independently sponsored. Additionally, there are 36 Joint Apprenticeship and Training Committees (JATC) sponsored programs, which represents approximately 320 union employers. The JATCs are structured with equal numbers of management and labor members. The JATCs are generally the larger apprenticeship sponsors and historically the administrative models for their trades.

Exhibit #2



Registered apprentices as of 6/30/2004.

- Free consulting and technical assistance to employers in setting up and registering apprentice training programs.
- Oversight service and monitoring of existing apprenticeship programs to ensure compliance with state, federal and industry training standards and successful completion of apprentices.
- Maintain and revise apprentice training standards, to safeguard the welfare of apprentices and to ensure the quality of the training.
- Provide information to the public about apprenticeship opportunities.



- Certify apprentices on public works projects.
- Functions as Montana's authorized approval agency for V.A. benefit purposes.
- Record and issue certificates to individuals who successfully complete their apprenticeship training program.

Apprentice sponsorship is a significant commitment between an employer and the apprentice. The sponsors train skilled workers that support Montana's economic vitality. Prior to the certification of a new sponsor and apprentice, there have been thorough information and consultative services provided. The more complete the understanding of program requirements for those involved, the fewer problems there are to correct through the term of the apprenticeship. Apprenticeship Training Program staff work with sponsors on a continuing basis to ensure the best prospects of successful completion for as many apprentices as possible.

Successful apprenticeships require various types and degrees of involvement from all parties through the term of each apprentice. The programs' staff invests time, resources and energy in the success of each apprentice registered. New apprentices do not count as a positive achievement until completion. The staff strives to stay involved with each program and apprentice throughout their training period.

*"We have established a great working relationship to assist in providing a highly qualified workforce for our company and the state. I'm extremely impressed with the assistance provided by the Apprenticeship & Training Program people. Our company has an aging workforce like so many companies. Apprenticeships are the key to maintaining a strong, healthy workforce for our state and*

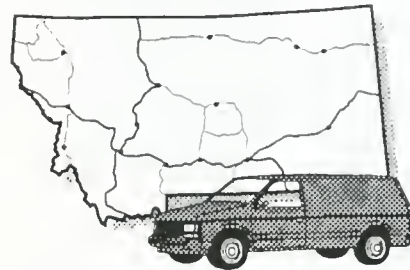


*allow us to keep more Montana folks in the state. I would like to take this opportunity to thank the Apprenticeship & Training people for always being there for us with answers to questions, providing guidance, and training on everything from filling out forms to Affirmative Action recruiting requirements."*

Penny McElroy, NorthWestern Energy, Butte, MT

From July 1, 2002 to June 30, 2004, program staff conducted 1062 inspection visits to sponsors of registered apprenticeship programs. During these informal visits, program compliance is reviewed, technical assistance is provided and information on new laws or regulations affecting the sponsor are provided. Other issues that could impact the over-all success of sponsor's program are dealt with on a personal basis.

**Exhibit #3**



In 2002-2004, the program's field staff drove 106,287 miles, conducting on-site business.

**Exhibit #4**



In 2003 and 2004, program field representatives spend 32 percent of their working hours on site.

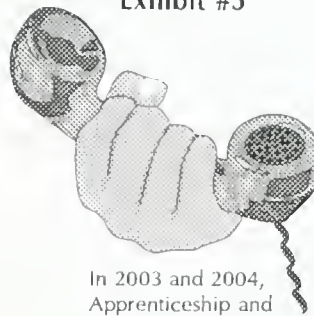
Apprenticeship Training Program staff provide active program management assistance to sponsors and apprentices. The staff also provides the in-person service that many Montana employers expect. This service is provided to employers without fees or direct cost. For the July 1, 2002 to June 30, 2004 time frame, the Apprenticeship and Training Program staff traveled 106,287 miles and spent approximately 5,256 hours, 32% of their working time, in the field servicing the apprenticeship com-



munity in Montana. Effectively there was one program staff member in the field at any given time through out the year.

During the time frame in review, the staff registered 899 new apprentices and certified 123 new program sponsors. Additionally, the total six person staff handled over 12,000 incoming telephone calls requiring various degrees and levels of response. Furthermore, the combined program staff sent over 13,128 survey inquiries, sponsor and apprentice letters, administrative rule notices and program information packages concerning the program during the time frame in review.

#### Exhibit #5



In 2003 and 2004,  
Apprenticeship and  
Training staff handled  
12,000 incoming  
telephone calls.





# The Economic Impact of Apprenticeship

Apprentices, unlike many people in learning situations, earn wages that contribute to the support of all levels of government and purchase goods and services in their communities. The apprentice's progressively increasing wages lead to good stable wages in skilled occupations. A well paid, trained and skilled labor force is the backbone of Montana's economy.

The State of Montana expended \$340,000.00 to support apprenticeship training during fiscal year 2003/2004. The program had \*1084 apprentices registered as of June 30, 2004. In 2003-04 these apprentices earned an average hourly wage of \$16.33 per hour and an average gross annual wage of \$33,966.40.

Employers contributed approximately \$32,811,156.00 in gross wages to apprentices while the average apprentice contributed \$6,334.00 in income taxes to the state and federal economies.

Therefore, for every one (1) dollar the state invested in 2003/2004, in registered apprenticeship, employers paid \$96.00 in wages and the apprentice contributed \$18.34 in taxes. The estimated amount of taxes paid by Montana apprentices in 2003/2004 amounted to \$6,128,304.00.

\* The survey did not include registered child care specialist apprentices due to the difference in the overall wage structure.

Exhibit #6



For every one state dollar invested returns \$18.34 in apprentice taxes and \$96.00 in employer contributed wages.



# 2004 Apprentice Retention Rate

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The Montana Apprenticeship and Training Program in collaboration with the Research and Analysis Bureau, Department of Labor and Industry interfaced social security numbers of all Montana registered apprentices successfully completing apprenticeship programs, with Montana UI wage earning data and the results are as follows:

1. All apprentices successfully completing the program from 1997 to January of 2004 were used for the report. The report revealed that 1158 apprentices had graduated/completed Montana apprenticeship programs since 1997.
2. Historical data indicates that the completing apprentices worked in 48 to 55 different apprentice-able occupations, with an estimated 80% of all completing apprentices working in construction related occupations.
3. Historical data also indicates that out of all of the completing apprentices, an estimated average of 55% work as registered apprentices in independent employment, with 45% completing apprentices registered with union affiliation.
4. The report revealed that out of the 1158 apprentices completing the program since 1997, 984 or 85.2% were identified through UI (unemployment insurance) data collection as wage earners in Montana during the January 1, to December 31, 2003 fiscal year. All four quarters of the 2003 fiscal year reported employment in Montana ranging from a minimum of 83.9% to the high of 86.9% for completing Montana apprentices. The remaining 15.5% of completing apprentices are either not living in the state, are operating their own business or are not working (laid-off).
5. In summary, out of the 1158 apprentices successfully completing the program since 1997, 984 or 85.2% have been verified as still working, supporting local economies and contributing back to Montana at a journeymen wage level.



# Related Training Funding

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Over the years, the Montana State Legislature has provided state special revenue funds from various sources to off-set some of the cost employers incur in providing apprentices with the required supplemental technical instruction. The instruction is required in addition to on-the-job training. Educational costs were off-set through state grants for all eligible registered apprentices.

Grants were applied toward correspondence courses, instructor cost and administrative expenses. Correspondence courses are used to provide supplemental instruction to apprentices who do not have access to classroom type instruction. These are primarily apprentices of independent/single employer sponsors and are located in rural areas of the State. Grant funds were used to defray part of the employer cost of purchasing these courses. Employers paid 100% of the cost of the first year courses and 60% of remaining year courses. The State funds paid for 40% of the remaining cost. During the 2003 legislative session, funding for apprenticeship related instruction was not approved and was removed as a line item from the Department of Labor and Industry's budget.

When the related instruction funding was depleted in April 2003, the Apprenticeship & Training Program developed a payment option package between the employer and apprentice to determine who will pay for the related instruction. The package offers six options for course work payment with the majority of the employers and the apprentices electing to split the cost of the course work.

During fiscal year 2002-3, \$43,282.68 in state funds was utilized to offset the cost of correspondence courses. The North Dakota State College of Science (NDSCS) sold 988 courses to Montana apprentices with Montana sponsor/employers contributing \$129,617.32 towards the related instruction cost. In fiscal year 2003-4, NDSCS sold 1003 courses to Montana apprentices, with no state funding available, Montana employers and apprentices contributed \$168,396.00 to the



cost of the related instruction. The program has experience a steady growth rate in correspondence course usage from 1991 to 2004 with 700% increase in courses sold since 1991.

In 2003, grants were also distributed to off-set part of the cost of apprentice instructor support. Apprentice training organizations, such as the union JATC's and independent organizations like the four Montana IEC chapters which utilize classroom settings and instructors to provide supplemental technical instruction to apprentices, applied for grants that were exclusively used to defray cost for instructors. Grants were distributed to approved applicants based upon the number of hours of instruction scheduled during the training year.

*"We truly enjoy our open relationship with the State Apprenticeship & Training Program.. First of all, our general feelings are very positive and the service is Excellent! We have no complaints and are 100% satisfied with the level of service from the State Program. Course Work for the plumbing program, this is a tough one, getting the related coursework completed is one of the biggest challenges that the apprentice faces. They are busy with work and personal related activities and then have to somehow fit in the related training as well. Please keep in mind that these folks did not come into this trade to go to college. They learn faster by using their hands. In no way am I discounting the fact that there is a lot of information to learn in this industry. I went through an apprenticeship myself and clearly understand the requirements. One of the neat things about the industry is that there is a lot of things to always be learning."*

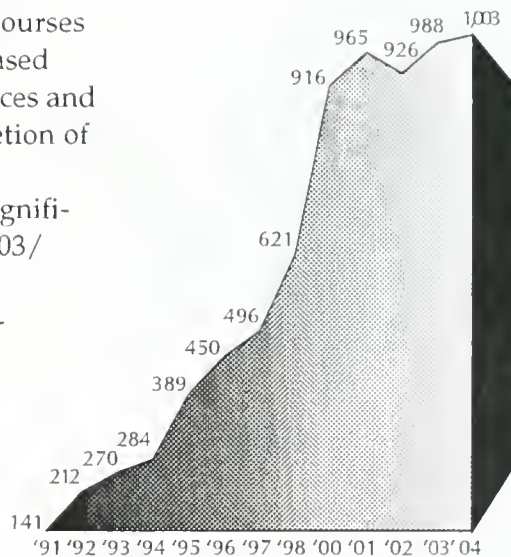
Mike Waldenberg, Central Plumbing & Heating, Inc.,  
Great Falls, MT





The Apprenticeship and Training Program staff takes a strong stance to ensure the steady progress by apprentices enrolled in correspondence course related instruction. Apprentices working on courses alone without the benefit of a classroom environment and on their own time, need a strong support system. Several program measures to provide this support have shown marked improvements in the last few years. In 1991 the state share funding for apprentices completing their related training requirements through correspondence courses amounted to \$9,000 with 144 courses sold that year. With an increased number of registered apprentices and an emphasis on timely completion of course work, the utilization of correspondence courses has significantly grown. In fiscal year 2003/04, 1003 courses were sold to Montana apprentices. Furthermore, during that fiscal year, Montana independent employer/sponsors of apprenticeship and apprentices paid out of pocket costs of \$168,396.00 for correspondence related instruction.

**Exhibit #7**



Number of courses ordered by Montana employer-sponsored programs by NDSCS as of 6/30/04.



# 2003-2004 Apprenticeship Training Program Activities

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# Apprenticeship Statistics

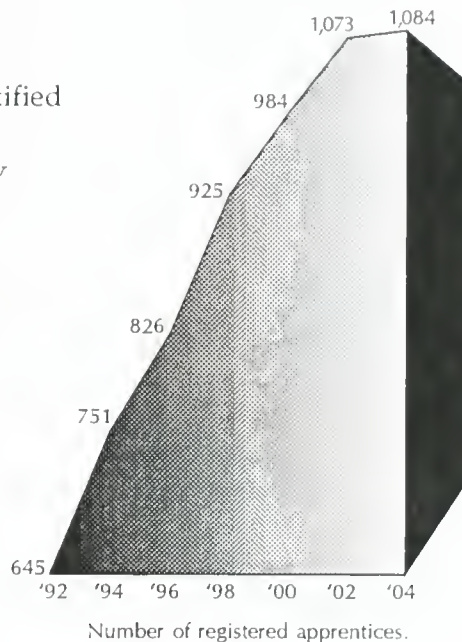
The number of registered apprentices in Montana as of June 30, 2004 was 1,084 with 9% female and 4% minority participation. During the biennium the number of registered apprentices fluctuated from 1067 to 1,101, with the program experiencing 9% overall growth, which falls in line with the average annual growth rate ranging from 8 to 12% since 1991.

Currently there are 528 active certified individual-employer sponsored programs and 36 programs jointly administered through labor and management partnerships that represent an estimated 320 union employers. In the timeframe in review 123 new programs/sponsors were developed and registered, with 899 new apprentices registered.

Of the 1,084 current registered apprentices, 8% are veterans, 62% work for independent sponsors, while 38% are union sponsored. From July 1, 2002 to June 30, 2004, the program completed 438 apprentices. This reflects an estimated 40% completion rate of all apprentices registered during the timeframe.

Since early 1991, Montana has experienced a steady increase in construction activity on a statewide basis. Currently the total number of building trades apprentices is 992 (91% of all registered apprentices). The workforce for that industry is predicted to have a continued and steady growth due an existing aging workforce and steady increase in new construction.

Exhibit #8





## Other facts...

During the time in review, the Apprenticeship and Training Program staff provided the following services:

- Staff responded to over 617 requests by employers for apprenticeship registration. Of the total number of requests, 347 stemmed from Western Montana, with 270 requests from Eastern Montana.
- Provided over 65 formal presentations concerning the program to high school career days, community job fairs, female and minority organizations and employer groups at a statewide level.
- Field staff conducted 7 comprehensive EEO reviews, established or revised five Affirmative Action plans for independent employers and revised over 247 active apprenticeship sponsor apprenticeship standards.
- During the time in review, the Program provided temporary project agreements to 12 out of state firms working in Montana and temporary registration to 33 out of state apprentices. The Program also has extended courtesy registration to 62 apprentices registered in other states but are work-based in Montana on a full time basis.

*"Without this program, I would still be making \$6 an hour at a storefront somewhere. Now I have a job with a good salary, I am teaching and following a profession that I am passionate about, and I am in a career. Without the apprenticeship program I would not have been able to obtain this career, it would have just been a dream. I am thankful everyday that it was available for my employer to sign me up in."*

Kari Michael Conner, Child Care Development  
Specialists apprentice at Greenwood Academy, Inc.,  
Bozeman, MT





Quality of life in Montana and retail expansion is expected to support a more moderate increase in the construction sector. During the 2002/2004 biennium, industries that traditionally employed apprentices experienced the following employment trend:

#### CONSTRUCTION

In 2004 the industry employed 23,400 workers compared to 21,300 employed in this sector in 2002.

#### UTILITIES (Electric & Gas)

In 2004 the industry employed an estimated 2,800 workers compared to 3,000 employed in this sector in 2002.

#### MANUFACTURING

In 2004 the industry employed 18,700 workers compared to 20,600 employed in this sector in 2002.

#### HEALTH CARE & SOCIAL ASSISTANCE (Child Care)

In 2004 the industry employed 49,200 workers compared to 47,500 employed in this sector in 2002.

#### OTHER SERVICES (Repair Services & Mechanics)

In 2004 the industry employed 16,100 workers compared to 15,900 employed in this sector in 2002.



# Equal Employment Opportunity Services

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In 1991 the Secretary of Labor delegated authority and assigned responsibility to the Federal Bureau of Apprenticeship and the Office of Federal Contract Compliance programs to enforce current Equal Employment Opportunity (EEO) and Affirmative Action regulations to program sponsors of apprenticeship. The state apprenticeship staff provides services and compliance reviews for 30 programs required to have Affirmative Action Plans and EEO Selection Procedures. The state program staff also investigates and mediates complaints relative to these areas.

Sponsors who employ five or more apprentices must have an approved Affirmative Action Plan and EEO Selection Procedure for choosing apprentices. State apprenticeship staff provides technical assistance to sponsors in the development and management of their plans.

The State staff in cooperation with the Federal Department of Labor and Industry conducted 8 periodic reviews during 2002/03 and 2003/04 and found the majority of the program sponsors in compliance with both State and Federal standards.

During the biennium the Apprenticeship and Training Program saw an slight increase of small independent sponsors of apprenticeship establish EEO selection procedures and Affirmative Action Plans. Continuing program growth with independent apprentices was the primary factor in the increase.



# Projections and Special Projects

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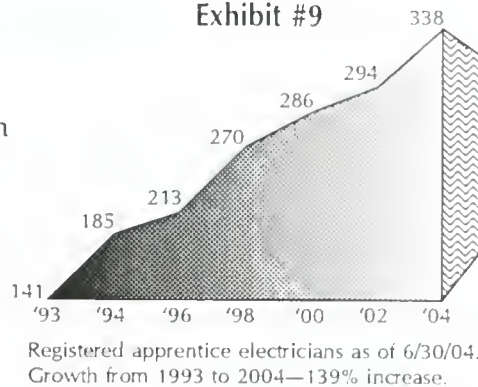


# Employment Trends

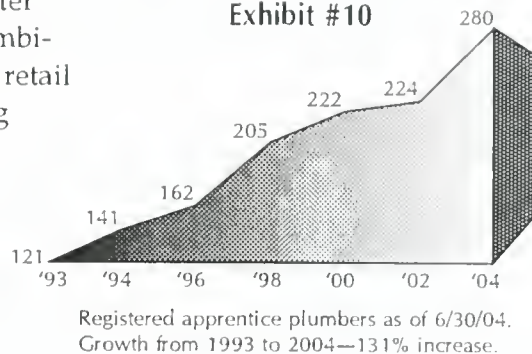
Since early 1991, Montana has experienced a steady increase in construction activity on a statewide basis. The current forecast for the construction industry is a continued growth through the year 2010. Quality of life, stable interest rates and retail expansion is driving the growth rate in the Red Lodge-Absarokee, Bozeman-Gallatin-Park counties, Missoula-Bitterroot and the greater Flathead Valley. The growth rate in the greater Billings area has been driven by combination of industrial, healthcare and retail expansion from the energy/refining industries and an infusion of new "box" retail outlets.

During the review period, there has been a continued shortfall on the supply side for fully trained, licensed plumbers and electricians. In 1993 there were 141 electrician and 121 plumber apprentices in both the non-union and union sectors. In 2002-03/2003-04 we saw a continuation of a ten-year trend in demand for apprentices in both these trades. As of June 30, 2004, there were 338 electricians (includes 41 residential electricians) and 280 plumbers registered as apprentices which reflect an 139% increase for electrical apprentices and 131% increase for plumbing apprentices since 1993.

**Exhibit #9**

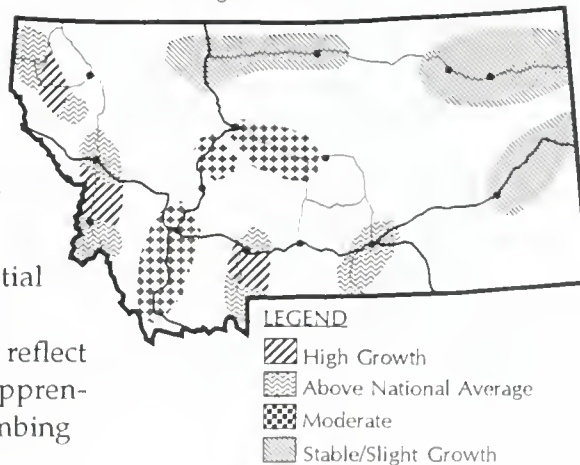


**Exhibit #10**



**Exhibit #11**

Growth areas in building trades construction from 1991 to 2004







## Apprenticeship and Training Program's Customer Service Survey

### THE INTENT AND THE MECHANICS OF THE SURVEY

The Montana Apprenticeship and Training Program services approximately 500 registered independent sponsors and an estimated 35 JATC sponsors of apprenticeship at any given time. The combined sponsorship represents 1100 registered apprentices that are located in 53 of the 56 counties in Montana. Historically, the Montana Program delivers program approvals, apprentice approvals, program quality reviews and compliance services with a high degree of customer service.

In February of 2003, the Program wanted to "gauge" the customer service level for both an actual awareness of where it stood and also where it could be improved. The Program's sponsorship at the time was serviced by two full field representatives, one Child Care field representative and one federal BAT representative that services two occupations exclusively. The combined field representatives services all program sponsors on a statewide basis with a continuous travel rotation into the field.

At the time of the survey, 446 active-independent sponsors were targeted, due to the frequency of interaction by the Program's field representatives. A letter was sent to all of the participants of the survey explaining the survey's purpose and basic directions for completion of the survey. The survey was sent with the letter and with a postage paid, self addressed return envelope. The surveys were color coded and a separate file was developed for completed surveys for each field representative. The survey questions dealt specifically with the Program's customer service level and not Program regulations. The survey asked ten questions, each question had



a rating scale of 1 to 5, with 5 the highest score. The survey also contained multiple areas for comments.

## SURVEY RESULTS

The Program received a 53% or 240 returned questionnaires out of the 446 surveys that were sent. The returns for each of the four field representatives were compiled separately and those averages were combined, totaled and divided (by four) giving an overall program rating. On the scale of 1 to 5, the highest individual score rated 4.78 with the lowest score rating at 3.99. The Program received a combined overall rating of 4.50, which ranks the Program's customer service level between "above average to outstanding" per our customer's opinion.

In counsel with our Research and Analysis Bureau, the 53% return on the survey was considered a "high" return and met the criteria for a more than adequate "sample" for the population that was surveyed. A second letter requesting survey information was sent prior to the original deadline for returns, extending the deadline and ensuring a high survey return.

## UTILIZATION OF THE SURVEY

The results of the survey were more than positive not only in the overall ranking but the program also received an estimated 250 favorable comments directly from the customers that we serve. The Montana Apprenticeship and Training Program has used the results of the survey for the following:

- The survey allowed for the Program to get an actual gauge on the current level of service that we provide.
- The survey indicated each individual field representative's patterns in service areas that either needed improvement or was at a strong level of customer satisfaction.



- For promotion purposes, the results of the survey can attest to the fact that a government agency can provide equal or even in some cases better service than a private service provider.
- A high-rated customer service level can be convincingly used for: Legislative purposes, breaking into new and emerging occupations and support of field operations.
- A high customer service rating will support most of the Department's mission statement. The Montana Department of Labor and Industry has "providing a high level of service to our customers" written into our mission statement and customer service is also one of the Department's core values.
- With our level of service, the Program can ask on necessary occasions for support (testimony, letters, faxes, email and so on) from our sponsors, especially in legislative issues. A high customer service level allows for the building of necessary alliances and partnerships. Your customers can be your best support and defense.
- 75% of the Montana Apprenticeship and Training Program's yearly business for new apprentice approvals is return business from existing sponsors.
- A high customer service level can provide for solid customer relationships, with open communications, trust between parties and lessening of potential resistance to changing program regulations.



## The Apprenticeship and Training Program Virtual Filing System

The Apprenticeship and Training Program follows federal and state requirement to maintain files for a minimum of 5 years after the last action date. When an apprentice is registered into a program, a hard copy file is set up and kept in an active sponsor/employer file. When an apprentice has been cancelled or has completed their required on the job training hours and related instruction, the program is required to keep that apprentices file for another 5 years after the last action date.

In the past, hundreds of hard copy files have been kept in file drawers. When filing space was maximized, dated information was identified, sorted and stored in labeled boxes. These documented boxes were then sent to the Records Management Warehouse for storage. Although the records could be retrieved at any given time, with the over all growth of the program, the combined manual system for saving documents was becoming costly in space, monetary and time resources.

In September of 2002, Tom LeTellier, the Program's Administrative Assistant and Mark Maki, Program Supervisor devised a plan that would utilize available automation technology for future record storage. After several meetings with the Division's Information Technology staff, it was determined that any program file could be stored in a "virtual file". Utilizing Tom LeTellier's experience and IT educational background, the Program developed a simplistic system for storage and retrieval that would allow for accessibility, security and uncomplicated usage. An exclusive drive space was secured for the file storage and 2 high speed scanners were purchased for file input.





In February of 2003, due to the number of files that had to be scanned and the labor intensive nature of this project, a temporary employee was hired to start scanning files into the system. Completion of the project is slated for November of 2004 and at that point in time, close to 8,000 hard copy documents will have been filed, using close to 3.5 Gigabytes of automation space. The system is also backed up on a regular basis by two different sources.

The benefits of the virtual file system has several contributing factors. This filing system is easy to use and once all the primary documentation has been input, maintenance of the filing system will only be required for a small fraction of time for file deletion or additions. The Program will realize savings in administrative time, filing and record storage space. The program also benefited by the overall purge of the filing and record keeping system and now is operating with a much more efficient and clean system.

## Related Instruction Linkages

### MONTANA STATE UNIVERSITY NORTHERN, HAVRE, MT

All Montana sponsors/employers provide apprentices with the required supplemental technical instruction, in addition to on-the-job training. Apprentice training organizations such as the union JATC's and independent organizations like the four Montana IEC (Independent Electrical Contractors) chapters utilize classroom settings and instructors to provide supplemental technical instruction to apprentices. Correspondence courses are used to provide supplemental instruction to apprentices who do not have access to classroom instruction. These are primarily apprentices of independent/single employer sponsors, located in rural areas of the state.

Over the years, correspondence courses have been utilized from the North Dakota State College of Science (NDSCS). The school provides a top rate educational package for the skilled trades, which is prima-



rily utilized by Montana apprentices that work for small employers in both urban and rural areas. Mark Maki, Supervisor of Montana's Apprenticeship Program commented, "Last year, an estimated 400 Montana apprentices ordered and received over 990 courses from North Dakota because those courses were not available in Montana."

In April 2003, the Montana State University Northern (MSU-N), College of Technical Sciences, Havre, Montana, contacted the Apprenticeship & Training Program and requested information and assistance in establishing a 2 year Applied Science degree in Plumbing. The program supervisor, Mark Maki, met with several members of the school of technology and agreed on possible credit and continuing education after the degree that would allow a seamless transition from the school to the workplace. At that point in time, a determination was made that it would be a benefit for a Montana college to develop an Associates of Applied Science degree in Plumbing Technology and be able to provide technical training through correspondence for the current registered apprentice plumbers in the state.

In May 2003, the Apprenticeship and Training Program provided MSU-N a list of independent plumbing employers and union training coordinators that could act as an advisory committee for the proposed program. The advisory committee gave input to the school relative to the type of curriculum and training that would meet "industry" standards, adequate for the training in the pipe related trades.

In July 2003, the Montana Board of Regents approved MSU-N to proceed with the discovery on the cost to initiate the program and to draw up a working plan to implement a 2-year degree in plumbing technology. MSU-N sent out letters to the Montana plumbing industry requesting support for the proposed program.



In November 2003, representatives from MSU-N, the Supervisor of the Apprenticeship and Training Program, members of the Montana plumbing community and representatives from plumbing parts and supply dealerships formally presented the final proposal for the program to the Montana Board of Regents. The Board accepted the proposal and “applauded” MSU-N for establishing one of the best forms of linkage between education, business, labor and government that they have seen proposed to them in recent times.

In February 2004, MSU-N hired a full time coordinator and instructor from the plumbing community, who was charged with establishing the curriculum, implementing a correspondence package and organizing a classroom/practical lab that would duplicate workplace practices for the 2-year program.

In June 2004, the MSU-N correspondence package, which was re-vamped to include Montana Plumbing Code and local climatic practices, became available for sale. Registered Montana plumbing apprentices now have the ability to purchase distance learning from a Montana educational institution.

In September 2004, MSU-N officially started the 2-year program at the school with 13 enrolled students, five ahead of the break-even margin. Currently the plumbing industry in Montana has raised over \$70,000 in cash funds to support the program and MSU-N has received the same amount in donated equipment, material and parts from Montana plumbing parts and supply dealers. The advisory board is still active to support the program and to provide continued technical assistance to MSU-N.

Although the MSU-N plumbing program is new, the school has a long and excellent history of training for the technical occupations. Furthermore, unlike most higher educational institutions, MSU-N approached the Apprenticeship and Training Program for the ap-



prenticeship linkage and sought technical advice in curriculum development directly from the plumbing industry. In recent meetings with MSU-N staff and the instructor, the Apprenticeship and Training Program has come to the conclusion that there a great amount of effort and dedication being put forward to make this "Montana" program a success. We hope this will be the first of many programs that will link higher education with industry.

#### BILLINGS CAREER CENTER, BILLINGS, MT

In April 2004, the Apprenticeship & Training Program established it's first approved "pre-apprenticeship" training program with the Billings Career Center. The center is one of the few pure technical training high schools in the state and has students from the 3 regular Billings high schools attending technical/work related classes on a voluntary basis.

The Billings Career Center prepares secondary students academically and socially for service in the community by providing a program that stresses work ethics, technological literacy, industry-driven skills, critical thought , effective communication, respect for diversity and equality, and the rights and responsibilities of citizenship.

The center serves approximately 700 students per day, with about 150 of those attending full days, the balance attending half days. The student population is composed almost exclusively of juniors and seniors.

The center currently provides training in early childhood care, which includes an on site day care center and is mentored by licenses day care workers. The students in that program are also attending classes at Montana State University Billings and obtaining college credit in the field. Both the experience and education that these high school





students are earning can be directly applied towards a registered apprenticeship program if the student wished to pursue a career in early childhood care.

The Apprenticeship & Training Program issued a certificate of recognition to the center and developed a simple agreement of understanding relative to documentation and verification of the students' progress. Upon graduation, a student in this program will receive a certificate from the Program recognizing the students' credit that can be applied in the future to a registered apprenticeship program.

This is just the beginning. The center has several areas of combined curriculum and work experience in "apprentice-able" occupations that will allow for the school-to-work place linkage. It has also established a boiler plate for future pre-apprenticeships that can be used in other school systems in Montana on a statewide basis.

#### UNIVERSITY OF MONTANA-SCHOOL OF TECHNOLOGY, MISSOULA, MT

Communities in rural Montana, which are following national trends concerning aging populations and the increased demand for health care, are finding it increasingly difficult to attract trained and qualified health care workers to rural areas. The majority of the pharmacies in Montana require state certification and some college level study to work as a pharmacy technician.

As a rule, entry into this occupation has required attendance at the University of Montana – School of Technology in Missoula for Pharmacy Technicians and Pharmacist. Although this route normally ensures occupational entry into the field, it also has the associated cost for higher education and forces individuals to leave their home communities.



The pharmacy technician and other health care related fields that recently have been recognized as “apprentice-able” occupations, have been targeted by the Montana Apprenticeship and Training Program as an emerging industry that fits the glove for expansion of registered apprenticeship. Most “technician” occupations in the health care industry pay above normal wages, demand a combination of education and hands on learning and some require a form of state licensing to work in the field.

In 2002-3, the Program registered two pharmacy technician programs in rural Montana, which now employ three apprentices. These programs are following the apprenticeship model and have allowed the employers to hire and train locally.

As with all registered apprenticeship, technical related study is required for a completion certificate . Currently pharmacy technician apprentices are utilizing the North Dakota State College of Science correspondence course work for the related instruction. In 2003, the Apprenticeship and Training Program in conjunction with the University of Montana – School of Technology, Missoula and a representative from the Commissioner of Higher Education’s office formulated an organizational and funding plan that could provide internet based course work not only for the pharmacy technician but for several other health care related occupations.

Once the online educational plan is initiated, it will allow the program an easier avenue to promote apprenticeship into these industries that in the past have not used the apprenticeship training model. The end result of this plan will allow for affordable education recognized by the industry that could be utilized by apprentices in rural areas of Montana and will offer an opportunity for employers, specifically in the health care industry, to train a local workforce.



## NASTAD

The National Association of State and Territorial Apprenticeship Directors (NASTAD) was established in 1950 to promote and achieve an effective national apprenticeship system. The association accomplishes this by providing a forum for states and territories that fund and administer their own apprenticeship system. Since its inception, NASTAD has served its goal well in providing information, sharing ideas and providing support in problem solving to its members. As an association, combined of 27 states and 3 territories which represents the majority of registered apprenticeship in the United States, it has willingly accepted it's rightful place close to the pulse of apprenticeship nationwide. The Association has sought to serve well its member states and territories in providing the support and assistance necessary for the execution of successful state managed apprenticeship.

NASTAD member states and territories are each recognized by the United State Secretary of Labor as the official apprenticeship agency for federal apprenticeship purposes and serves as the registration agency for apprentice and programs. This recognition is detailed in the Code of Federal Regulations Title 29, Part 29.

Mark Maki, the Montana Apprenticeship & Training Program Supervisor was elected President of NASTAD in 2002 and served a two-year term. In 2004 at the annual NASTAD conference, which was held in Billings, MT, Mark was re-elected President to serve another two-year term.

In May of 2002, The U.S. Secretary of Labor, Elaine Chao, appointed Mark Maki, as President of NASTAD, to serve on the National Advisory Committee for Apprenticeship (ACA). The ACA consist of 30



members selected from the nationwide apprentice community, with representation from the public, labor and business sectors.

The primary function of the committee is to give direction and advice to the Secretary concerning the future direction of apprenticeship on a national perspective. With Mark's appointment to the ACA, not only do state-driven apprenticeship registration agencies have a voice in the direction of apprenticeship, but rural states like Montana also have representation at the decision making level.





# The Future for Apprenticeship in Montana

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Currently, the Montana Apprenticeship and Training Program has close to 1,100 apprentices registered in 58 different occupations, an estimated highest level of registrations in the Program's 63 year history. During this biennium in review, the Program has also experienced one of the highest completion rates of apprentices in program history. Also of note, 85 % of all apprentices completing the Program since 1997, are still working and contributing in Montana. According to a report published by Research and Analysis, Department of Labor and Industry, four of the top ten paying occupations in Montana are active apprentice-able occupations. In the 2003/04 fiscal year, the average hourly wage rate for 3<sup>rd</sup> year apprentices was an estimated \$16.33 an hour, with Montana apprentices contributing over \$6 million dollars in state and federal taxes this fiscal year.

The educational delivery system for apprentices has been enriched with four new schools for independent electrical apprentices. The correspondence package which is used primarily by apprentices in rural locations has been given a new boost for the user by internet enhancement. The 18,000 hours of submitted apprentice classroom instruction during the 02/03 fiscal year was also at a record level.

New additions to the Program's administrative rules not only will allow sponsors to increase their numbers of apprentices but also will provide the Montana Apprenticeship Community a sense of harmony, which has been lacking for a number of years.

Child Care Specialist Apprenticeship Program employers have trained over 150 Montana apprentices in an industry where the product is the future of our state, our children. These worker's will also have the opportunity to realize better incomes, higher job security and the increased possibility to advance in life long learning via the apprenticeship stepping stone.



During the biennium, Program staff also exceeded recorded numbers for new apprentice registrations, employer visits, program presentations and providing information to interested parties. The Program with a viable increasing demand for services has been able to maintain a high customer service level, with 75% of the Programs operations focused on "return business".

Where to do we go from here? Although the Apprenticeship and Training Program realized steady growth and positive improvements during the reporting biennium, we face uncertainties in the future and the direction of the Program.

The majority (90%) of all existing Montana registered apprentices work in construction related occupations. With that industry facing a high attrition rate due to an aging workforce, coupled with a steady growth in new construction, the Program will continue to see an increase in apprentice registrations in that industrial sector. Other occupations, such as the automation and the health care industries have been ear-marked by the Program as strong potentials for new apprentice registration.

Due to budget issues, state funding historically used to offset some of the related instruction cost for sponsors unfortunately no longer available after June, 2003, the Program is looking at what other states utilize for related instruction funding. In New Mexico, apprenticeship related instruction is funded through state prevailing wage benefits. The Apprenticeship and Training Program will continue to research and explore possible grant opportunities that would benefit both the Montana employer and apprentice.

The Apprenticeship and Training Program will continue to maintain linkages with Workforce Investment Act organizations, develop more partnerships with the educational community and other job training related organization by providing direction, information, on-site



presentations and technical assistance when needed. The Program intends to maintain it's high customer service level with the new "virtual" record keeping system and the development of a "best practices in apprentice selection" informational booklet for our independent sponsors. This will have a positive impact on the Program's cancellation rate.

In conclusion, the Apprenticeship and Training Program staff will continue to dedicate their efforts to providing our Montana sponsors, apprentices and the interested public in any assistance that will ensure a high level of quality training for Montana's skilled workforce for now and for the future.



# Apprenticeship & Training Program Staff

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Staff Photo (from left to right)  
Jim Lambert, Tom LeTellier, Lisa Murphy, Mark Maki, Lanae Vetsch  
and Roy Symons

Mark S. Maki  
Program Supervisor  
Statewide Operations

Roy Symons  
Senior Apprenticeship and  
Training Field Representative  
Western Montana

Lanae Vetsch  
Apprenticeship and Training  
Field Representative  
Eastern Montana

Tom Letellier  
Apprenticeship and Training  
Field Representative  
Central Montana

Lisa Murphy  
Child Care Development  
Specialist Program  
Statewide Operations

Jim Lambert  
Program Administrative Support  
Statewide Operations





# Affiliated Professional Associations

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National Association of State and Territorial  
Apprenticeship Directors

Eastern Seaboard Apprenticeship Association and Conference

The Montana Apprenticeship and Training Directors Association

Montana Early Care and Education Career Development Board

Montana Early Childhood Advisory Council

Montana Early Childhood Apprenticeship Advisory Committee

U.S. Department of Labor, Advisory Committee for Apprenticeship

IAWP (International Association of Workforce Professionals)



# Appendix

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# Appendix

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# Registered Apprentices by Occupation

June 30, 2004

OCCUPATION	ACTIVE
AUTOMOBILE BODY REPAIR	3
AUTOMOBILE MECHANIC	6
AVIONICS TECHNICIAN	1
BAKER – BAKERY	1
BOILER OPERATOR	7
BOILERMAKER FITTER	31
BRICKLAYER – CONST	14
BUTCHER – ALL – ROUND	1
CARPENTNER – CONST	54
CEMENT MASON – CONST	1
CENTRAL - OFFICE RP/INSTALLER	5
CHILD CARE DEV SPEC	36
CONST CRAFT LABORER	22
DIESEL MECHANIC	2
ELE APPL SERVICER	2
ELECT – SUBSTATION	1
ELECTRICIAN MAINT	2
ELECTRICIAN - ANY IND	297
ELEVATOR CONSTRUCTOR	13
ENVIR - CONT - SYS – INSTL	7
FARM EQUIP MECHANIC	1
FIRE FIGHTER ANY IND	19
GAS MAIN FITTER	1
GLAZIER CONST	1
LINE ERECTOR – CONST	8
LINE INSTALLER RP	1
LINE MAINTAINER	5
LINE REPAIRER	16



OCCUPATION	ACTIVE
LOAD DISPATCHER	5
MAINT MECH – TELEPHONE	12
MAINT REPAIRER IND	7
MECH - INDUST TRUCK	1
MILLWRIGHT	2
MOTORCYCLE REPAIRER	1
MT COMB STAT CO TECH	1
OPERATING ENGINEER	10
PAINTER	1
PHARMACIST ASSISTANT	2
PIPE FITTER - ANY INDU	15
PIPEFITTER CONST.	4
PLUMBER - CONST.	280
POWERHOUSE MECHANIC	7
PROTECT SIGNAL INSTL	6
REAL ESTATE APPRAISE	1
REFIGERATION MECH	5
RELAY TECHNICIAN	1
RESIDENTIAL WIREMAN	41
ROOFER ( CONST)	6
SALESPERSON – PARTS	1
SHEET METAL WORKER	59
STATION INSTL & RP	4
STATION ENGINEER	2
STRUCTURAL STEEL WKR	34
TILE SETTER (CONST)	2
WASTEWATER TREAT PLT	1
WEB PRESS OPERATOR	1
<b>TOTAL</b>	<b>1084</b>







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